

		FOR OHF USE				

LL 1

2002
STATE OF ILLINOIS
DEPARTMENT OF PUBLIC AID
FINANCIAL AND STATISTICAL REPORT FOR
LONG-TERM CARE FACILITIES
(FISCAL YEAR 2002)

IMPORTANT NOTICE
 THIS AGENCY IS REQUESTING DISCLOSURE OF INFORMATION
 THAT IS NECESSARY TO ACCOMPLISH THE STATUTORY
 PURPOSE AS OUTLINED IN 210 ILCS 45/3-208. DISCLOSURE
 OF THIS INFORMATION IS MANDATORY. FAILURE TO PROVIDE
 ANY INFORMATION ON OR BEFORE THE DUE DATE WILL
 RESULT IN CESSATION OF PROGRAM PAYMENTS. THIS FORM
 HAS BEEN APPROVED BY THE FORMS MANAGEMENT CENTER.

I. IDPH Facility ID Number: <u>0037366</u>		II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER	
Facility Name: <u>Meadowbrook Manor</u>		I have examined the contents of the accompanying report to the State of Illinois, for the period from <u>01/01/02</u> to <u>12/31/02</u> and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.	
Address: <u>431 W. Remington Blvd.</u> <u>Bolingbrook</u> <u>60440</u> Number City Zip Code		Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.	
County: <u>Will</u>		Officer or Administrator of Provider (Signed) _____ (Date) _____ (Type or Print Name) <u>Robert Jafari</u> (Title) <u>Chief Executive Officer</u>	
Telephone Number: <u>(630) 759-1112</u> Fax # <u>(630) 759-4406</u>		Paid Preparer (Signed) <u>SEE ACCOUNTANTS' COMPILATION REPORT</u> (Date) _____ (Print Name and Title) _____ (Firm Name & Address) <u>Altschuler, Melvoin and Glasser LLP</u> <u>One South Wacker Drive, Suite 800, Chicago, IL 60606</u> (Telephone) <u>(312) 634-3400</u> Fax # <u>(312) 634-5518</u>	
IDPA ID Number: <u>363596557001</u>		MAIL TO: OFFICE OF HEALTH FINANCE ILLINOIS DEPARTMENT OF PUBLIC AID 201 S. Grand Avenue East Springfield, IL 62763-0001 Phone # (217) 782-1630	
Date of Initial License for Current Owners: <u>11/05/91</u>			
Type of Ownership:			
<input type="checkbox"/> VOLUNTARY, NON-PROFIT <input type="checkbox"/> Charitable Corp. <input type="checkbox"/> Trust IRS Exemption Code _____		<input type="checkbox"/> PROPRIETARY <input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input checked="" type="checkbox"/> "Sub-S" Corp. <input type="checkbox"/> Limited Liability Co. <input type="checkbox"/> Trust <input type="checkbox"/> Other _____	
<input type="checkbox"/> GOVERNMENTAL <input type="checkbox"/> State <input type="checkbox"/> County <input type="checkbox"/> Other _____			
In the event there are further questions about this report, please contact: Name: <u>Charles Fischer</u> Telephone Number: <u>(312) 634-4580</u> Please send copies of desk review and audit adjustments to address on this page.			

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Meadowbrook Manor# 0037366 Report Period Beginning: 01/01/02 Ending: 12/31/02

III. STATISTICAL DATA

A. Licensure/certification level(s) of care; enter number of beds/bed days,
(must agree with license). Date of change in licensed beds N/A

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	<u>298</u>	Skilled (SNF)	<u>298</u>	<u>108,770</u>	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	<u>298</u>	TOTALS	<u>298</u>	<u>108,770</u>	7

B. Census-For the entire report period.

	1	2	3	4	5	
	Level of Care	Patient Days by Level of Care and Primary Source of Payment				
		Public Aid Recipient	Private Pay	Other	Total	
8	SNF	<u>69,099</u>	<u>12,985</u>	<u>8,684</u>	<u>90,768</u>	8
9	SNF/PED					9
10	ICF	<u>2,206</u>			<u>2,206</u>	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	<u>71,305</u>	<u>12,985</u>	<u>8,684</u>	<u>92,974</u>	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed
bed days on line 7, column 4.) 85.48%

D. How many bed-hold days during this year were paid by Public Aid?

None (Do not include bed-hold days in Section B.)

E. List all services provided by your facility for non-patients.

(E.g., day care, "meals on wheels", outpatient therapy)

Day Care

F. Does the facility maintain a daily midnight census?

YesG. Do pages 3 & 4 include expenses for services or
investments not directly related to patient care?YES ☒NO ☐Non-allowable costs have been
eliminated in Schedule V, Col. 7

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?

YES ☐NO ☒

I. On what date did you start providing long term care at this location?

Date started 11/05/91

J. Was the facility purchased or leased after January 1, 1978?

YES ☒Date 11/05/91NO ☐

K. Was the facility certified for Medicare during the reporting year?

YES ☒NO ☐

If YES, enter number

of beds certified 55 and days of care provided 7,591Medicare Intermediary Adminastar Federal, Inc.

IV. ACCOUNTING BASIS

ACCRUAL ☒ MODIFIED
CASH* ☐ CASH* ☐Is your fiscal year identical to your tax year? YES ☒ NO ☐Tax Year: 12/31/02 Fiscal Year: 12/31/02

* All facilities other than governmental must report on the accrual basis.

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Page 3

Facility Name & ID Number Meadowbrook Manor

0037366

Report Period Beginning: 01/01/02

Ending: 12/31/02

V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

	Operating Expenses	Costs Per General Ledger				Reclass-ification 5	Reclassified Total 6	Adjust-ments 7**	Adjusted Total 8	FOR OHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	A. General Services											
1	Dietary	378,557	69,946	12,630	461,133		461,133		461,133			1
2	Food Purchase		384,501		384,501		384,501	(2,481)	382,020			2
3	Housekeeping	257,354	62,117		319,471		319,471		319,471			3
4	Laundry	84,050	34,984		119,034		119,034		119,034			4
5	Heat and Other Utilities			254,882	254,882		254,882	(1,809)	253,073			5
6	Maintenance	108,736	11,829	170,936	291,501		291,501	(3,424)	288,077			6
7	Other (specify):*											7
8	TOTAL General Services	828,697	563,377	438,448	1,830,522		1,830,522	(7,714)	1,822,808			8
	B. Health Care and Programs											
9	Medical Director			12,480	12,480		12,480		12,480			9
10	Nursing and Medical Records	3,864,324	538,490	61,355	4,464,169		4,464,169		4,464,169			10
10a	Therapy		1,456	510,463	511,919		511,919		511,919			10a
11	Activities	117,512	23,241	2,822	143,575		143,575	(425)	143,150			11
12	Social Services	141,250		7,993	149,243		149,243		149,243			12
13	Nurse Aide Training											13
14	Program Transportation											14
15	Other (specify):*											15
16	TOTAL Health Care and Programs	4,123,086	563,187	595,113	5,281,386		5,281,386	(425)	5,280,961			16
	C. General Administration											
17	Administrative	265,335		83,787	349,122		349,122	(83,787)	265,335			17
18	Directors Fees											18
19	Professional Services			187,348	187,348		187,348	5,612	192,960			19
20	Dues, Fees, Subscriptions & Promotions			63,848	63,848		63,848	3,231	67,079			20
21	Clerical & General Office Expenses	438,918	96,341	94,880	630,139		630,139	13,796	643,935			21
22	Employee Benefits & Payroll Taxes			810,399	810,399		810,399	54,277	864,676			22
23	Inservice Training & Education											23
24	Travel and Seminar			4,430	4,430		4,430	514	4,944			24
25	Other Admin. Staff Transportation			10,974	10,974		10,974	1,907	12,881			25
26	Insurance-Prop.Liab.Malpractice			352,490	352,490		352,490		352,490			26
27	Other (specify):*											27
28	TOTAL General Administration	704,253	96,341	1,608,156	2,408,750		2,408,750	(4,450)	2,404,300			28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	5,656,036	1,222,905	2,641,717	9,520,658		9,520,658	(12,589)	9,508,069			29

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

SEE ACCOUNTANTS' COMPILATION REPORT

NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

**See schedule of adjustments attached at the end of the cost report..

Facility Name & ID Number Meadowbrook Manor

#0037366

Report Period Beginning:

01/01/02

Ending:

12/31/02

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass- ification 5	Reclassified Total 6	Adjust- ments 7**	Adjusted Total 8	FOR OHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	D. Ownership											
30	Depreciation			125,806	125,806		125,806	320,724	446,530			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			185,791	185,791		185,791	1,024,182	1,209,973			32
33	Real Estate Taxes							269,167	269,167			33
34	Rent-Facility & Grounds			3,600,000	3,600,000		3,600,000	(3,586,536)	13,464			34
35	Rent-Equipment & Vehicles			5,400	5,400		5,400	615	6,015			35
36	Other (specify):*											36
37	TOTAL Ownership			3,916,997	3,916,997		3,916,997	(1,971,848)	1,945,149			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation			550	550		550		550			38
39	Ancillary Service Centers		321,763		321,763		321,763		321,763			39
40	Barber and Beauty Shops			28,660	28,660		28,660		28,660			40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			163,155	163,155		163,155		163,155			42
43	Other (specify):*	50,833		249,716	300,549		300,549	(300,549)				43
44	TOTAL Special Cost Centers	50,833	321,763	442,081	814,677		814,677	(300,549)	514,128			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	5,706,869	1,544,668	7,000,795	14,252,332		14,252,332	(2,284,986)	11,967,346			45

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

**See schedule of adjustments attached at the end of the cost report..

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Page 5

Facility Name & ID Number Meadowbrook Manor

0037366

Report Period Beginning:

01/01/02

Ending:

12/31/02

VI. ADJUSTMENT DETAIL

A. The expenses indicated below are non-allowable and should be adjusted out of Schedule V, pages 3 or 4 via column 7.

In column 2 below, reference the line on which the particular cost was included. (See instructions.)

	NON-ALLOWABLE EXPENSES	1 Amount	2 Refer- ence	3 OHF USE ONLY	
1	Day Care	\$		\$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals	(1,706)	2		4
5	Telephone, TV & Radio in Resident Rooms				5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	(15,760)	30		9
10	Interest and Other Investment Income	(3,130)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(538)	43		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees	(5,614)	20		17
18	Fines and Penalties				18
19	Entertainment	(2,148)	43		19
20	Contributions	(14,681)	43		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers	(16,427)	19		22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(149,922)	43		24
25	Fund Raising, Advertising and Promotional	(115,946)	43		25
26	Income Taxes and Illinois Personal Property Replacement Tax	(31,210)	43		26
27	Nurse Aide Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule See Schedule 5A	(151,609)			29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (508,691)		\$	30

OHF USE ONLY							
48		49		50		51	52

B. If there are expenses experienced by the facility which do not appear in the general ledger, they should be entered below.(See instructions.)

		1 Amount	2 Reference	
31	Non-Paid Workers-Attach Schedule*	\$		31
32	Donated Goods-Attach Schedule*			32
33	Amortization of Organization & Pre-Operating Expense			33
34	Adjustments for Related Organization Costs (Schedule VII)	(1,776,295)		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (1,776,295)		36
	(sum of SUBTOTALS			
37	TOTAL ADJUSTMENTS (A) and (B))	\$ (2,284,986)		37

*These costs are only allowable if they are necessary to meet minimum licensing standards. Attach a schedule detailing the items included on these lines.

C. Are the following expenses included in Sections A to D of pages 3 and 4? If so, they should be reclassified into Section E. Please reference the line on which they appear before reclassification.
(See instructions.)

		1 Yes	2 No	3 Amount	4 Reference	
38	Medically Necessary Transport.		X	\$		38
39						39
40	Gift and Coffee Shops		X			40
41	Barber and Beauty Shops		X			41
42	Laboratory and Radiology		X			42
43	Prescription Drugs		X			43
44	Exceptional Care Program		X			44
45	Other-Attach Schedule					45
46	Other-Attach Schedule					46
47	TOTAL (C): (sum of lines 38-46)			\$		47

SEE ACCOUNTANTS' COMPILATION REPORT

Meadowbrook Manor

ID# 0037366

Report Period Beginning: 01/01/02

Ending: 12/31/02

Sch. V Line

NON-ALLOWABLE EXPENSES		Amount	Reference
1		\$	1
2			2
3			3
4			4
5			5
6			6
7			7
8			8
9			9
10			10
11			11
12			12
13			13
14			14
15			15
16			16
17			17
18			18
19			19
20			20
21			21
22			22
23			23
24			24
25			25
26			26
27			27
28			28
29			29
30			30
31			31
32			32
33			33
34			34
35			35
36			36
37			37
38			38
39			39
40			40
41			41
42			42
43			43
44			44
45			45
46			46
47			47
48			48
49	Total	0	49

Butterfield Health Care, Inc.
D/B/A Meadowbrook Manor
Provider #00037366
12/31/2002

Schedule 5A

VI. Adjustment Detail
Non-Allowable Expenses
Line 29 - Other

Description	Amount	Schedule V Reference
Disallow Patient Clothing	(1,115)	43
Physician Fees	(1,153)	43
Painting and Decorating	(3,424)	6
Real Estate Tax	(1,958)	33
Miscellaneous Income Offset	(160)	21
Activities Income Offset	(425)	11
Radiology	(7,355)	43
Laboratory	(7,351)	43
Disallow Related Party Interest Expense	(82,115)	32
Disallow Non-allowable Day Care Salaries	(40,748)	43
Disallow Non-allowable Day Care Employee Benefits and Payroll Taxes	(3,221)	22
Disallow Non-allowable Day Care Food	(775)	2
Disallow Non-allowable Day Care Utilities	(1,809)	5
	<u>(151,609)</u>	

See Accountants' Compilation Report

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Meadowbrook Manor

0037366

Report Period Beginning:

01/01/02

Ending:

12/31/02

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Operating Expenses	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
	A. General Services													
1	Dietary	0	0	0	0	0	0	0	0	0	0	0	0	1
2	Food Purchase	(1,706)	0	0	0	0	0	0	0	0	0	0	(1,706)	2
3	Housekeeping	0	0	0	0	0	0	0	0	0	0	0	0	3
4	Laundry	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Heat and Other Utilities	0	0	0	0	0	0	0	0	0	0	0	0	5
6	Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	6
7	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	7
8	TOTAL General Services	(1,706)	0	0	0	0	0	0	0	0	0	0	(1,706)	8
	B. Health Care and Programs													
9	Medical Director	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Nursing and Medical Records	0	0	0	0	0	0	0	0	0	0	0	0	10
10a	Therapy	0	0	0	0	0	0	0	0	0	0	0	0	10a
11	Activities	0	0	0	0	0	0	0	0	0	0	0	0	11
12	Social Services	0	0	0	0	0	0	0	0	0	0	0	0	12
13	Nurse Aide Training	0	0	0	0	0	0	0	0	0	0	0	0	13
14	Program Transportation	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	15
16	TOTAL Health Care and Programs	0	0	0	0	0	0	0	0	0	0	0	0	16
	C. General Administration													
17	Administrative	0	0	0	(83,787)	0	0	0	0	0	0	0	(83,787)	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	(16,427)	0	11,897	10,142	0	0	0	0	0	0	0	5,612	19
20	Fees, Subscriptions & Promotions	(5,614)	0	8,330	515	0	0	0	0	0	0	0	3,231	20
21	Clerical & General Office Expenses	0	0	0	13,956	0	0	0	0	0	0	0	13,956	21
22	Employee Benefits & Payroll Taxes	0	0	0	57,498	0	0	0	0	0	0	0	57,498	22
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Travel and Seminar	0	0	0	514	0	0	0	0	0	0	0	514	24
25	Other Admin. Staff Transportation	0	0	0	1,907	0	0	0	0	0	0	0	1,907	25
26	Insurance-Prop.Liab.Malpractice	0	0	0	0	0	0	0	0	0	0	0	0	26
27	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	27
28	TOTAL General Administration	(22,041)	0	20,227	745	0	0	0	0	0	0	0	(1,069)	28
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	(23,747)	0	20,227	745	0	0	0	0	0	0	0	(2,775)	29

Facility Name & ID Number Meadowbrook Manor

0037366

Report Period Beginning:

01/01/02

Ending:

12/31/02

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Attach an additional schedule if necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
		Butterfield Health Care II, Inc. d/b/a	Naperville	J&D Partners, L.P.	Bolingbrook	Lessor
		Meadowbrook Manor - Naperville		MMN Partners, L.P.	Naperville	Lessor
See Schedule 6C	See Schedule			Butterfield Health		
	6C	Seneca Nursing Home, Inc. d/b/a Lee Manor	Des Plaines	Care Group, Inc.	Bolingbrook	Management Co.
				Seneca Building		
				Partnership	Des Plaines	Lessor

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☒ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1 Schedule V		2 Line	3 Cost Per General Ledger	4 Amount	5 Cost to Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
			Item		Name of Related Organization				
1	V			\$			\$	\$	1
2	V								2
3	V								3
4	V								4
5	V			3,600,000	J&D Partners, L.P. (Page 6A)	100.00%	1,755,064	(1,844,936)	5
6	V								6
7	V			83,787	Butterfield Health Care Group, Inc. (Page 6B)	100.00%	152,428	68,641	7
8	V								8
9	V								9
10	V								10
11	V								11
12	V								12
13	V								13
14	Total			\$ 3,683,787			\$ 1,907,492	\$ * (1,776,295)	14

* Total must agree with the amount recorded on line 34 of Schedule VI.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Meadowbrook Manor

0037366

Report Period Beginning: 01/01/02

Ending: 12/31/02

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☒ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V	19 Professional Services	\$	J&D Partners, L.P.	100.00%	\$ 11,897	\$ 11,897	15
16	V	20 Fees & Subscriptions		J&D Partners, L.P.	100.00%	8,330	8,330	16
17	V	30 Depreciation		J&D Partners, L.P.	100.00%	335,575	335,575	17
18	V	32 Interest Expense		J&D Partners, L.P.	100.00%	1,109,427	1,109,427	18
19	V	33 Real Estate Taxes		J&D Partners, L.P.	100.00%	271,125	271,125	19
20	V	34 Rent	3,600,000	J&D Partners, L.P.	100.00%		(3,600,000)	20
21	V	43 State Replacement Taxes		J&D Partners, L.P.	100.00%	18,710	18,710	21
22	V							22
23	V							23
24	V							24
25	V							25
26	V							26
27	V							27
28	V							28
29	V							29
30	V							30
31	V							31
32	V							32
33	V							33
34	V							34
35	V							35
36	V							36
37	V							37
38	V							38
39	Total		\$ 3,600,000			\$ 1,755,064	\$ * (1,844,936)	39

* Total must agree with the amount recorded on line 34 of Schedule VI.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Meadowbrook Manor

0037366

Report Period Beginning: 01/01/02

Ending: 12/31/02

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☒ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)
15	V	17 Management Fees	\$ 83,787	Butterfield Health Care Group, Inc.	100.00%	\$	\$ (83,787)
16	V	19 Professional Services		Butterfield Health Care Group, Inc.	100.00%	10,142	10,142
17	V	20 Licenses & Fees		Butterfield Health Care Group, Inc.	100.00%	515	515
18	V	21 General Office Expense		Butterfield Health Care Group, Inc.	100.00%	13,956	13,956
19	V	22 Empl. Benefits and Payroll Taxes		Butterfield Health Care Group, Inc.	100.00%	57,498	57,498
20	V	24 Travel and Seminar		Butterfield Health Care Group, Inc.	100.00%	514	514
21	V	25 Other Admin. Staff Transportation		Butterfield Health Care Group, Inc.	100.00%	1,907	1,907
22	V	30 Depreciation		Butterfield Health Care Group, Inc.	100.00%	909	909
23	V	34 Rent Facility and Grounds		Butterfield Health Care Group, Inc.	100.00%	13,464	13,464
24	V	35 Rent-Equipment		Butterfield Health Care Group, Inc.	100.00%	615	615
25	V	43 Other (Non-Allowable Expenses)		Butterfield Health Care Group, Inc.	100.00%	52,908	52,908
26	V						
27	V						
28	V						
29	V						
30	V						
31	V						
32	V						
33	V						
34	V						
35	V						
36	V						
37	V						
38	V						
39	Total		\$ 83,787			\$ 152,428	\$ * 68,641

* Total must agree with the amount recorded on line 34 of Schedule VI.

SEE ACCOUNTANTS' COMPILATION REPORT

Butterfield Health Care, Inc.
D/B/A Meadowbrook Manor
Provider #00037366
12/31/2002

Schedule 6C

VII. Section A. - Related Parties - Column 1 (Owners)

Name	Ownership %
Robert Jafari	25.00%
Kianoosh Jafari	25.00%
Decendants S Corp Trust F/B/O Sean William Dimas	6.67%
Decendants S Corp Trust F/B/O Sasha Eva Dimas	6.67%
Decendants S Corp Trust F/B/O Ashley Maria Dimas	6.66%
Nicholas Vangel	20.00%
Eva Dimas Estate	10.00%
	<u>100.00%</u>

See Accountants' Compilation Report

Facility Name & ID Number Meadowbrook Manor # 0037366 Report Period Beginning: 01/01/02 Ending: 12/31/02

VII. RELATED PARTIES (continued)

C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.

NOTE: ALL owners (even those with less than 5% ownership) and their relatives who receive any type of compensation from this home must be listed on this schedule.

	1	2	3	4	5	6		7		8		
	Name	Title	Function	Ownership Interest	Compensation Received From Other Nursing Homes*	Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		Compensation Included in Costs for this Reporting Period**		Schedule V. Line & Column Reference		
						Hours	Percent	Description	Amount			
1	Robert Jafari	Stockholder	Executive Director	25.00	56,208	22	55.00	Salary	\$ 71,337	L 17, C 1	1	
2	Nicholas Vangel	Stockholder	Executive Director	20.00	40,404	22	55.00	Salary	13,205	L 17, C 1	2	
3	Christopher Vangel	Operating Spvyr	Administrative	0.00	24,644	22	55.00	Salary	31,277	L 17, C 1	3	
4	Sean Dimas	Stockholder	Administrative	6.67	33,720	0	0.00	N/A	0	N/A	4	
5											5	
6											6	
7		Note 1-	Robert Jafari and Christopher Vangel received compensation from only one other nursing home which was									7
8			Butterfield Health Care II, Inc. d/b/a Meadowbrook Manor-Naperville									8
9		Note 2-	Nicholas Vangel received \$30,000 of Director Fees from Seneca Nursing Home, Inc. d/b/a Lee Manor and									9
10			\$10,404 of salaries from Butterfield Health Care II, Inc. d/b/a Meadowbrook Manor-Naperville									10
11		Note 3-	Sean Dimas received \$33,720 of salaries from Seneca Nursing Home, Inc. d/b/a Lee Manor									11
12											12	
13								TOTAL	\$ 115,819		13	

* If the owner(s) of this facility or any other related parties listed above have received compensation from other nursing homes, attach a schedule detailing the name(s) of the home(s) as well as the amount paid. THIS AMOUNT MUST AGREE TO THE AMOUNTS CLAIMED ON THE THE OTHER NURSING HOMES' COST REPORTS.

** This must include all forms of compensation paid by related entities and allocated to Schedule V of this report (i.e., management fees).
FAILURE TO PROPERLY COMPLETE THIS SCHEDULE INDICATING ALL FORMS OF COMPENSATION RECEIVED FROM THIS HOME.
ALL OTHER NURSING HOMES AND MANAGEMENT COMPANIES MAY RESULT IN THE DISALLOWANCE OF SUCH COMPENSATION

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Meadowbrook Manor # 0037366 Report Period Beginning: 01/01/02 Ending: 12/31/02

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES ☒ NO ☐

Name of Related Organization Butterfield Health Care Group, Inc.
 Street Address 4 N 645 School Road
 City / State / Zip Code St. Charles, IL 60175
 Phone Number (630) 443-8238
 Fax Number (630) 443-9379

B. Show the allocation of costs below. If necessary, please attach worksheets.

1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1	19 Professional Services	Resident Days	166,230	2	\$ 18,133	\$	92,974	\$ 10,142	1
2	20 Licenses & Fees	Resident Days	166,230	2	920		92,974	515	2
3	21 General Office Expense	Resident Days	166,230	2	24,950		92,974	13,956	3
4	22 Employee Benefits and P/R Taxes	Resident Days	166,230	2	102,802		92,974	57,498	4
5	24 Travel & Seminar	Resident Days	166,230	2	919		92,974	514	5
6	25 Other Admin.-Staff Transportatio	Resident Days	166,230	2	3,410		92,974	1,907	6
7	30 Depreciation	Resident Days	166,230	2	1,626		92,974	909	7
8	34 Rent - Facility & Grounds	Resident Days	166,230	2	24,073		92,974	13,464	8
9	35 Rent-Equipment	Resident Days	166,230	2	1,101		92,974	615	9
10	43 Other (Non-Allowable Exp.)	Resident Days	166,230	2	94,595		92,974	52,908	10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$ 272,529	\$		\$ 152,428	25

SEE ACCOUNTANTS' COMPILATION REPORT

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)

1		2		3		4		5		6		7		8		9		10	
	Name of Lender	Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense								
		YES	NO				Original	Balance											
	A. Directly Facility Related Long-Term																		
1	Bank One		X	Mortgage	\$115,000.00	08/31/98	\$ 13,806,841	\$ 12,415,745	02/28/08	0.0750	\$ 917,970	1							
2	Bank One		X	2nd Mortgage	Interest Only	01/01/02	6,300,000	6,300,000	11/30/03	0.0303	190,360	2							
3	Bank One		X	Amortization of Loan Costs	N/A						5,400	3							
4												4							
5												5							
	Working Capital																		
6	Bank One		X	Working Capital	N/A	05/06/98	667,534	667,534	02/28/08	0.0750	95,273	6							
7	Shareholder Loans	X		Working Capital	N/A	12/09/99	2,550,000	2,550,000	Demand	Prime	90,033	7							
8	GMAC		X	Equipment Financing	\$720.00	06/04/00	23,641	3,545	06/04/03	0.0850	485	8							
9	TOTAL Facility Related					\$115,720.00		\$ 23,348,016	\$ 21,936,824			\$ 1,299,521	9						
	B. Non-Facility Related*																		
10							Miscellaneous Interest				485	10							
11							Offset Interest Income				(7,918)	11							
12							Non-allowable Interest Expense				(82,115)	12							
13												13							
14	TOTAL Non-Facility Related											\$ (89,548)	14						
15	TOTALS (line 9+line14)							\$ 23,348,016	\$ 21,936,824			\$ 1,209,973	15						

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ None Line # N/A

* Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7.
(See instructions.) SEE ACCOUNTANTS' COMPILATION REPORT

** If there is ANY overlap in ownership between the facility and the lender, this must be indicated in column 2.
(See instructions.)

Facility Name & ID Number Meadowbrook Manor

0037366 Report Period Beginning: 01/01/02 Ending: 12/31/02

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE (continued)

B. Real Estate Taxes

1. Real Estate Tax accrual used on 2001 report.		Important , please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.	\$	251,000	1
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)		2001	\$	255,167	2
3. Under or (over) accrual (line 2 minus line 1).			\$	4,167	3
4. Real Estate Tax accrual used for 2002 report. (Detail and explain your calculation of this accrual on the lines below.)			\$	265,000	4
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. (Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)			\$		5
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. TOTAL REFUND \$ For Tax Year. (Attach a copy of the real estate tax appeal board's decision.)			\$		6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.			\$	269,167	7

Real Estate Tax History:

Real Estate Tax Bill for Calendar Year:	1997	217,978	8
	1998	214,416	9
	1999	241,423	10
	2000	242,819	11
	2001	255,167	12

2001 Tax Bill	255,167		
Estimated Increase	1,0375		
Total	264,736		
Use	265,000		

FOR OHF USE ONLY			
13	FROM R. E. TAX STATEMENT FOR 2001	\$	13
14	PLUS APPEAL COST FROM LINE 5	\$	14
15	LESS REFUND FROM LINE 6	\$	15
16	AMOUNT TO USE FOR RATE CALCULATION	\$	16

NOTES:

1. Please indicate a negative number by use of brackets(). Deduct any overaccrual of taxes from prior year.
2. If facility is a non-profit which pays real estate taxes, you must attach a denial of an application for real estate tax exemption unless the building is rented from a for-profit entity.
This denial must be no more than four years old at the time the cost report is filed.

SEE ACCOUNTANTS' COMPILATION REPORT

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates **RE:** 2001 REAL ESTATE TAX COST DOCUMENTATION

In order to set the real estate tax portion of the capital rate, it is necessary that we obtain additional information regarding your calendar 2001 real estate tax costs, as well as copies of your real estate tax bills for calendar 2001.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2001 real estate tax bill to the Department of Public Aid, Office of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2002 cost report. The cost report will not be considered complete and timely filed until this statement and the corresponding real estate tax bills are filed. If you have any questions, please call the Office of Health Finance at (217) 782-1630.

2001 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Meadowbrook Manor COUNTY Will

FACILITY IDPH LICENSE NUMBER 0037366

CONTACT PERSON REGARDING THIS REPORT Larry Templin

TELEPHONE (630) 759-1112 FAX #: (630) 759-4406

A. Summary of Real Estate Tax Cost

Enter the tax index number and real estate tax assessed for 2001 on the lines provided below. Enter only the portion of the cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursing home property which is vacant, rented to other organizations, or used for purposes other than long term care must not be entered in Column D. Do not include cost for any period other than calendar year 2001.

(A)	(B)	(C)	(D) <u>Tax</u> <u>Applicable to</u> <u>Nursing Home</u>
<u>Tax Index Number</u>	<u>Property Description</u>	<u>Total Tax</u>	
1. <u>12-02-22-102-031-0000</u>	<u>Nursing Home</u>	\$ <u>255,166.92</u>	\$ <u>255,166.92</u>
2. _____	_____	\$ _____	\$ _____
3. _____	_____	\$ _____	\$ _____
4. _____	_____	\$ _____	\$ _____
5. _____	_____	\$ _____	\$ _____
6. _____	_____	\$ _____	\$ _____
7. _____	_____	\$ _____	\$ _____
8. _____	_____	\$ _____	\$ _____
9. _____	_____	\$ _____	\$ _____
10. _____	_____	\$ _____	\$ _____
TOTALS		\$ <u>255,166.92</u>	\$ <u>255,166.92</u>

B. Real Estate Tax Cost Allocations

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not directly used for nursing home services? YES X NO

If YES, attach an explanation & a schedule which shows the calculation of the cost allocated to the nursing home. (Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used.)

C. Tax Bills

Attach a copy of the 2001 tax bills which were listed in Section A to this statement. Be sure to use the 2001 tax bill which is normally paid during 2002.

A. Square Feet: 109,175

B. General Construction Type:

Exterior Brick

Frame Steel

Number of Stories 3

C. Does the Operating Entity?

☐ (a) Own the Facility
 ☒ (b) Rent from a Related Organization.
 ☐ (c) Rent from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions.)

D. Does the Operating Entity?

☒ (a) Own the Equipment
 ☒ (b) Rent equipment from a Related Organization.
 ☒ (c) Rent equipment from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions.)

E. List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's grounds (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, nurse aide training facilities, etc.) List entity name, type of business, square footage, and number of beds/units available (where applicable).

None

F. Does this cost report reflect any organization or pre-operating costs which are being amortized?

☐ YES
 ☒ NO

If so, please complete the following:

1. Total Amount Incurred: N/A

2. Number of Years Over Which it is Being Amortized: N/A

3. Current Period Amortization: N/A

4. Dates Incurred: N/A

Nature of Costs:

(Attach a complete schedule detailing the total amount of organization and pre-operating costs.)

XI. OWNERSHIP COSTS:

A. Land.

	1	2	3	4	
	Use	Square Feet	Year Acquired	Cost	
1	Resident Care	270,508	1991	\$ 404,280	1
2	Resident Care		1996	287,781	2
3	TOTALS	270,508		\$ 692,061	3

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Meadowbrook Manor

0037366

Report Period Beginning:

01/01/02

Ending:

12/31/02

XL OWNERSHIP COSTS (continued)**B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.**

1	2	3	4	5	6	7	8	9	
Bed*	FOR OHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation
4	235	1991	1991	\$ 8,276,993	\$	40	\$ 206,925	\$ 206,925	\$ 2,310,663
5	10	1994	1994	31,090	987	40	777	(210)	6,993
6	53	1996	1996	2,505,079		40	62,627	62,627	407,076
7									
8									
Improvement Type**									
9	1992 Improvements	1992		32,614	1,035	20	1,631	596	16,999
10	1993 Improvements	1993		2,750	88	20	138	50	1,311
11	1993 Improvements	1993		4,822	156	40	121	(35)	1,149
12	1994 Improvements	1994		6,432		10	643	643	5,466
13	1995 Improvements	1995		18,192		20	910	910	6,825
14	1995 Improvements	1995		12,681	403	10	1,268	865	9,510
15	Electric Exterior Sign	1996		7,820	200	10	782	582	5,083
16	New Doors	1996		1,475	38	10	147	109	955
17	Hot Water Tank	1996		3,847	99	10	385	286	2,502
18	Landscaping	1996		13,490	346	10	1,349	1,003	8,769
19	Repaving Parking Lot	1996		7,412	190	10	741	551	4,817
20	Replace Irrigation System	1996		27,077	694	10	2,708	2,014	17,602
21	Walk in Freezer	1996		29,923		10	2,992	2,992	19,448
22	Landscaping	1997		17,283	864	10	1,728	864	9,504
23	Outside Parking Lot Lighting	1997		2,102	54	10	210	156	1,155
24	Nurse Call Station Extension Work	1997		3,310	85	10	331	246	1,821
25	Remodeling Work-Windsor Hall	1997		3,500	89	40	350	261	1,925
26	Basement Remodeling-Street Village Décor	1998		31,614	1,622	39	790	(832)	3,555
27	Remodeling Work-Day Care Area	1999		16,638	426	39		(426)	
28	Remodeling-Ice Cream Parlor	2000		3,624	93	39	93		232
29	Remodeling Work-3rd Floor Hamilton Unit	2000		16,421	421	39	421		1,053
30	Remodeling Work-Nurse Stations (All Floors)	2000		20,103	515	39	515		1,288
31	Plumbing/Electrical Work-Boiler Room (Basement)	2000		4,587	118	39	118		295
32	Remodeling Work-Dialysis Room	2000		7,253	186	39	186		465
33									
34									
35									
36									

*Total beds on this schedule must agree with page 2.

**Improvement type must be detailed in order for the cost report to be considered complete.

See Page 12A, Line 70 for total

SEE ACCOUNTANTS' COMPILATION REPORT

XI. OWNERSHIP COSTS (continued)									
B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.									
1	2	3	4	5	6	7	8	9	
Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation		
37	Parking Lot Paving	2001	\$ 48,629	\$ 2,431	20	\$ 2,431	\$	3,647	37
38	Remodeling Work	2001	13,319	342	39	342		512	38
39	Window Treatments	2001	45,531	1,166	39	1,166		1,750	39
40	Double Door Insulation	2001	6,860	176	39	176		264	40
41	Carpeting-1st Floor	2002	33,778	844	20	844		844	41
42	Reconstruct Front Entrance Awning	2002	11,915	298	20	298		298	42
43	Window Treatments	2002	4,672	117	20	117		117	43
44	Ceiling Tiles	2202	2,306	58	20	58		58	44
45	Exterior Signs	2002	18,832	471	20	471		471	45
46									46
47									47
48									48
49									49
50									50
51									51
52									52
53									53
54									54
55									55
56									56
57									57
58									58
59									59
60									60
61									61
62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		\$ 11,293,974	\$ 14,612		\$ 294,789	\$ 280,177	\$ 2,854,422	70

C. Equipment Depreciation-Excluding Transportation. (See instructions.)

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	\$ 1,525,152	\$ 97,095	\$ 137,968	\$ 40,873	5-10 yrs	\$ 1,025,995	71
72	Current Year Purchases	53,765	3,110	3,110		5-10 yrs	3,110	72
73	Fully Depreciated Assets	699,118					699,118	73
74	Allocated from Mgmt Co.			909	909	5-10 yrs		74
75	TOTALS	\$ 2,278,035	\$ 100,205	\$ 141,987	\$ 41,782		\$ 1,728,223	75

D. Vehicle Depreciation (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76	Resident Van	1998 Ford E350 Van	1998	\$ 40,790	\$ 10,989	\$ 9,754	(1,235)	3	\$ 40,790	76
77	Resident Passenger Van	2000 Chevrolet Express	2000	29,261	10,989	9,754	(1,235)	3	24,385	77
78		Van								78
79										79
80	TOTALS			\$ 70,051	\$ 10,989	\$ 9,754	\$ (1,235)		\$ 65,175	80

E. Summary of Care-Related Assets

	1 Reference	2 Amount	
81	Total Historical Cost (line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	\$ 14,334,121	81
82	Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 125,806	82
83	Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 446,530	83 **
84	Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 320,724	84
85	Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 4,647,820	85

F. Depreciable Non-Care Assets Included in General Ledger. (See instructions.)

	1 Description & Year Acquired	2 Cost	Current Book Depreciation 3	Accumulated Depreciation 4	
86		\$	\$	\$	86
87					87
88	N/A				88
89					89
90					90
91	TOTALS	\$	\$	\$	91

G. Construction-in-Progress

	Description	Cost	
92		\$	92
93		N/A	93
94			94
95		\$	95

* Vehicles used to transport residents to & from day training must be recorded in XI-F, not XI-D.

** This must agree with Schedule V line 30, column 8.

SEE ACCOUNTANTS' COMPILATION REPORT

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

PLEASE ENTER ONLY DATES IN CELLS W16 AND W17

1. Name of Party Holding Lease: N/A

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4?

If NO, see instructions.

☐ YES ☒ NO

		1 Year Constructed	2 Number of Beds	3 Date of Lease	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:				\$			3
4	Additions							4
5								5
6	Allocation from Management Co.				13,464			6
7	TOTAL				\$ 13,464			7

8. List separately any amortization of lease expense included on page 4, line 34.

This amount was calculated by dividing the total amount to be amortized by the length of the lease N/A.

N/A

N/A

9. Option to Buy: ☐ YES ☒ NO Terms: _____ *

B. Equipment-Excluding Transportation and Fixed Equipment. (See instructions.)

15. Is Movable equipment rental included in building rental?

☐ YES ☒ NO

16. Rental Amount for movable equipment: \$ 6,015 Description: Offsite Storage (\$5,484), Bus (\$531)

(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17			\$	\$	17
18					18
19					19
20					20
21	TOTAL		\$	\$	21

10. Effective dates of current rental agreement:

Beginning N/A

Ending N/A

11. Rent to be paid in future years under the current rental agreement:

Fiscal Year Ending Annual Rent

12. /2003 \$

13. /2004 \$

14. /2005 \$

* If there is an option to buy the building, please provide complete details on attached schedule.

** This amount plus any amortization of lease expense must agree with page 4, line 34.

SEE ACCOUNTANTS' COMPILATION REPORT

A. TYPE OF TRAINING PROGRAM (If aides are trained in another facility program, attach a schedule listing the facility name, address and cost per aide trained in that facility.)

<p>1. HAVE YOU TRAINED AIDES DURING THIS REPORT PERIOD? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p> <p>It is the policy of this facility to only hire certified nurses aides If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.</p>	<p>2. CLASSROOM PORTION:</p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>COMMUNITY COLLEGE <input type="checkbox"/></p> <p>HOURS PER AIDE _____</p>	<p>3. CLINICAL PORTION:</p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>HOURS PER AIDE _____</p>
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------

B. EXPENSES

ALLOCATION OF COSTS (d)

		1		2		3	4
		Facility					
		Drop-outs	Completed	Contract	Total		
1	Community College Tuition	\$	\$	\$	\$		
2	Books and Supplies						
3	Classroom Wages (a)						
4	Clinical Wages (b)						
5	In-House Trainer Wages (c)						
6	Transportation						
7	Contractual Payments						
8	Nurse Aide Competency Tests						
9	TOTALS	\$	\$	\$	\$		
10	SUM OF line 9, col. 1 and 2 (e)	\$					

C. CONTRACTUAL INCOME

In the box below record the amount of income your facility received training aides from other facilities.

\$

D. NUMBER OF AIDES TRAINED

COMPLETED	
1. From this facility	
2. From other facilities (f)	
DROP-OUTS	
1. From this facility	
2. From other facilities (f)	
TOTAL TRAINED	

- (a) Include wages paid during the classroom portion of training. Do not include fringe benefits.
(b) Include wages paid during the clinical portion of training. Do not include fringe benefits.
(c) For in-house training programs only. Do not include fringe benefits.
(d) Allocate based on if the aide is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own aides.

- (e) The total amount of Drop-out and Completed Costs for your own aides must agree with Sch. V, line 13, col. 8.
(f) Attach a schedule of the facility names and addresses of those facilities for which you trained aides.
SEE ACCOUNTANTS' COMPILATION REPORT

XIV. SPECIAL SERVICES (Direct Cost) (See instructions.)

		1	2	3	4	5	6	7	8	
	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or) Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
1	Licensed Occupational Therapist	L. 10A, C. 3	hrs	\$	3,317	\$ 215,592	\$	3,317	\$ 215,592	1
2	Licensed Speech and Language Development Therapist	L. 10A, C. 3	hrs		436	34,894		436	34,894	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	L. 10A, C. 2&3	hrs		3,750	224,989	1,456	3,750	226,445	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	L. 39, C. 2	# of prescripts				321,763		321,763	9
	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							
10	Academic Education		hrs							10
11	Exceptional Care Program									11
12										12
13	Other (specify):									13
14	TOTAL			\$	7,503	\$ 475,475	\$ 323,219	7,503	\$ 798,694	14

NOTE: This schedule should include fees (other than consultant fees) paid to licensed practitioners. Consultant fees should be detailed on Schedule XVIII-B. Salaries of unlicensed practitioners, such as nurse aides, who help with the above activities should not be listed on this schedule.

SEE ACCOUNTANTS' COMPILATION REPORT

This report must be completed even if financial statements are attached.

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 517,651	\$ 651,361	1
2	Cash-Patient Deposits	52,099	52,099	2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance (150,000)	3,513,547	3,513,547	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	455,242	455,242	6
7	Other Prepaid Expenses	44,494	46,994	7
8	Accounts Receivable (owners or related parties)	1,567	1,567	8
9	Other(specify): <u>Employee Advances</u>	5,520	5,520	9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 4,590,120	\$ 4,726,330	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		692,061	13
14	Buildings, at Historical Cost		10,830,187	14
15	Leasehold Improvements, at Historical Cost	457,353	463,787	15
16	Equipment, at Historical Cost	1,231,761	2,348,086	16
17	Accumulated Depreciation (book methods)	(1,033,266)	(4,647,820)	17
18	Deferred Charges		20,874	18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (spe <u>Loan Costs, Net</u>		27,896	22
23	Other(specify):			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 655,848	\$ 9,735,071	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 5,245,968	\$ 14,461,401	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 863,314	\$ 863,314	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	52,329	52,329	28
29	Short-Term Notes Payable	2,553,545	2,553,545	29
30	Accrued Salaries Payable	262,355	262,355	30
31	Accrued Taxes Payable (excluding real estate taxes)	21,700	21,700	31
32	Accrued Real Estate Taxes(Sch.IX-B)		266,900	32
33	Accrued Interest Payable		15,908	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	<u>See Schedule 17A</u>	1,218,426	551,276	36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 4,971,669	\$ 4,587,327	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable			39
40	Mortgage Payable	1,250,625	19,383,279	40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43				43
44				44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ 1,250,625	\$ 19,383,279	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 6,222,294	\$ 23,970,606	46
47	TOTAL EQUITY (page 18, line 24)	\$ (976,326)	\$ (9,509,205)	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 5,245,968	\$ 14,461,401	48

SEE ACCOUNTANTS' COMPILATION REPORT

*(See instructions.)

Butterfield Health Care, Inc.
d/b/a Meadowbrook Manor
Provider #00037366
12/31/2002

Schedule 17A

XV. Balance Sheet

Current Liabilities

Line 36 - Other Current Liabilities

	Operating	After Consolidation
Resident Credit Balances	563,944	563,944
Accrued Rent	654,332	
Due to/from Butterfield Health Care II, Inc.	150	(12,668)
Total Line 36 Other Current Liabilities	1,218,426	551,276

See Accountants' Compilation Report

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ (591,752)	1
2	Restatements (describe):		2
3			3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ (591,752)	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	(384,574)	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants		11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	()	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	TOTAL Additions (deductions) (sum of lines 7-16)	\$ (384,574)	17
	B. Transfers (Itemize):		
18			18
19			19
20			20
21			21
22			22
23	TOTAL Transfers (sum of lines 18-22)	\$	23
24	BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)	\$ (976,326)	24 *

Operating Entity Only

* This must agree with page 17, line 47.

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Page 19

Facility Name & ID Number Meadowbrook Manor

0037366

Report Period Beginning: 01/01/02

Ending:

12/31/02

VII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached.

Note: This schedule should show gross revenue and expenses. Do not net revenue against expense.

	Revenue	Amount	
	A. Inpatient Care		
1	Gross Revenue -- All Levels of Care	\$ 13,133,803	1
2	Discounts and Allowances for all Levels	(1,266,576)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 11,867,227	3
	B. Ancillary Revenue		
4	Day Care	27,546	4
5	Other Care for Outpatients		5
6	Therapy	1,300,493	6
7	Oxygen		7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 1,328,039	8
	C. Other Operating Revenue		
9	Payments for Education		9
10	Other Government Grants		10
11	Nurses Aide Training Reimbursements		11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care	35,795	13
14	Non-Patient Meals	1,706	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	321,762	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	7,551	19
20	Radiology and X-Ray	9,580	20
21	Other Medical Services	283,343	21
22	Laundry	5,313	22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 665,050	23
	D. Non-Operating Revenue		
24	Contributions		24
25	Interest and Other Investment Income***	3,130	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 3,130	26
	E. Other Revenue (specify):****		
27	Settlement Income (Insurance, Legal, Etc.)		27
28	Wheelchair Rental Revenue	3,727	28
28a	Miscellaneous Income/Activities Income	585	28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 4,312	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 13,867,758	30

	Expenses	Amount	
	A. Operating Expenses		
31	General Services	1,830,522	31
32	Health Care	5,281,386	32
33	General Administration	2,408,750	33
	B. Capital Expense		
34	Ownership	3,916,997	34
	C. Ancillary Expense		
35	Special Cost Centers	651,522	35
36	Provider Participation Fee	163,155	36
	D. Other Expenses (specify):		
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 14,252,332	40
41	Income before Income Taxes (line 30 minus line 40)**	(384,574)	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ (384,574)	43

* This must agree with page 4, line 45, column 4.

** Does this agree with taxable income (loss) per Federal Income Tax Return? No If not, please attach a reconciliation.
See Schedule 19A

*** See the instructions. If this total amount has not been offset against interest expense on Schedule V, line 32, please include a detailed explanation. SEE ACCOUNTANTS' COMPILATION REPORT

****Provide a detailed breakdown of "Other Revenue" on an attached sheet.

Butterfield Health Care, Inc.
D/B/A Meadowbrook Manor
Provider #00037366
12/31/2002

Schedule 19A

Reconciliation of taxable income(loss) per Federal Tax Return to Page 19, Line 43

Description	<u>Amount</u>
Net Income (Loss) per P 19, Line 43	(384,574)
Section 481 Adjustment	744,601
Travel and Entertainment	1,041
Political Contributions	8,575
Depreciation	(33,837)
Rounding	<u>3</u>
Taxable Income (Loss) per Federal Tax Return	<u><u>335,809</u></u>

See Accountants' Compilation Report

Facility Name & ID Number Meadowbrook Manor

0037366

Report Period Beginning: 01/01/02

Ending:

12/31/02

XVIII. A. STAFFING AND SALARY COSTS (Please report each line separately.)

(This schedule must cover the entire reporting period.)

		1	2**	3	4	
		# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage	
1	Director of Nursing	1,952	2,080	\$ 87,648	\$ 42.14	1
2	Assistant Director of Nursing	4,132	4,355	130,805	30.04	2
3	Registered Nurses	24,943	29,149	634,579	21.77	3
4	Licensed Practical Nurses	42,660	51,138	952,618	18.63	4
5	Nurse Aides & Orderlies	138,342	165,907	1,665,016	10.04	5
6	Nurse Aide Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	12,353	13,456	151,982	11.29	8
9	Activity Director					9
10	Activity Assistants	13,347	14,287	117,512	8.23	10
11	Social Service Workers	11,175	11,687	141,250	12.09	11
12	Dietician					12
13	Food Service Supervisor					13
14	Head Cook					14
15	Cook Helpers/Assistants	42,873	45,198	378,557	8.38	15
16	Dishwashers					16
17	Maintenance Workers	8,031	8,655	108,736	12.56	17
18	Housekeepers	32,941	35,027	257,354	7.35	18
19	Laundry	11,320	12,131	84,050	6.93	19
20	Administrator	2,116	2,251	82,862	36.81	20
21	Assistant Administrator	952	960	22,111	23.03	21
22	Other Administrative	4,304	4,473	160,362	35.85	22
23	Office Manager					23
24	Clerical	25,695	27,368	438,918	16.04	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator					29
30	Habilitation Aides (DD Homes)					30
31	Medical Records	2,672	2,909	29,333	10.08	31
32	Other Health Care(specify)					32
33	Other(specify) See Sched. 20A	17,727	19,004	263,176	13.85	33
34	TOTAL (lines 1 - 33)	397,535	450,035	\$ 5,706,869 *	\$ 12.68	34

* This total must agree with page 4, column 1, line 45.

** See instructions.

B. CONSULTANT SERVICES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference	
35	Dietary Consultant	316	\$ 12,630	L 1, C 3	35
36	Medical Director	Monthly	12,480	L 9, C 3	36
37	Medical Records Consultant	Monthly	3,990	L 10, C 3	37
38	Nurse Consultant	Monthly +464	48,515	L 10, C 3	38
39	Pharmacist Consultant	Monthly	5,640	L 10, C 3	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant	52	2,822	L 11, C 3	44
45	Social Service Consultant	154	7,993	L 12, C 3	45
46	Other(specify)				46
47	Quality Assurance	53	3,210	L 10, C 3	47
48					48
49	TOTAL (lines 35 - 48)	575	\$ 97,280		49

C. CONTRACT NURSES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference	
50	Registered Nurses		\$		50
51	Licensed Practical Nurses		N/A		51
52	Nurse Aides				52
53	TOTAL (lines 50 - 52)		\$		53

SEE ACCOUNTANTS' COMPILATION REPORT

Butterfield Health Care, Inc.
D/B/A Meadowbrook Manor
Provider #00037366
12/31/2002

Schedule 20A

XVIII. Staffing and Salary Costs
Line 32-Other

	# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage
Day Care	3,226	3,402	40,748	11.98
Rehabilitation Nurse	1,379	1,424	29,086	20.43
Nursing Administration	9,538	10,318	137,705	13.35
Central Supply	3,040	3,300	45,552	13.80
Marketing Director	544	560	10,085	18.01
Total Line 32-Other	17,727	19,004	263,176	77.56

See Accountants' Compilation Report

Facility Name & ID Number Meadowbrook Manor

0037366

Report Period Beginning: 01/01/02

Ending: 12/31/02

XIX. SUPPORT SCHEDULES

A. Administrative Salaries			D. Employee Benefits and Payroll Taxes			F. Dues, Fees, Subscriptions and Promotions		
Name	Function	Ownership %	Amount	Description	Amount	Description	Amount	
Stuart Kanowitz	Administrator	0	\$ 43,905	Workers' Compensation Insurance	\$ 203,874	IDPH License Fee	\$ 200	
Donna Sprinkle	Administrator/Dir of Ops.	0	52,642	Unemployment Compensation Insurance	50,639	Advertising: Employee Recruitment	35,133	
Russell Terrill	Asst. Administrator	0	52,969	FICA Taxes	431,166	Health Care Worker Background Check		
Robert Jafari	Executive Director	25	71,337	Employee Health Insurance	147,219	(Indicate # of checks performed 250)	2,500	
Nicholas Vangel	Executive Director	20	13,205	Employee Meals		Illinois Council on Long Term Care	10,899	
Christopher Vangel	Operating Spvr	0	31,277	Illinois Municipal Retirement Fund (IMRF)*		Miscellaneous Fees & Permits	9,622	
				Employee Appreciation Meals	8,856	Inspections	4,980	
				401k Contribution	1,042	Misc. Dues & Subscriptions	3,230	
				Training and Education	6,325			
				Other Employee Benefits	15,555	Allocation from Mgmt Co.	515	
						Less: Public Relations Expense	()	
						Non-allowable advertising	()	
						Yellow page advertising	()	
TOTAL (agree to Schedule V, line 17, col. 1)			\$ 265,335	TOTAL (agree to Schedule V, line 22, col.8)	\$ 864,676	TOTAL (agree to Sch. V, line 20, col. 8)	\$ 67,079	
B. Administrative - Other				G. Schedule of Travel and Seminar**				
Description			Amount	Description	Line #	Amount		
Butterfield Health Care Group, Inc. (Eliminated in Col. 7)			\$ 83,787	N/A				
TOTAL (agree to Schedule V, line 17, col. 3)			\$ 83,787					
(Attach a copy of any management service agreement)								
C. Professional Services				E. Schedule of Non-Cash Compensation Paid to Owners or Employees				
Vendor/Payee	Type		Amount	Description	Line #	Amount		
			\$			\$		
See Schedule 21A			187,348					
TOTAL (agree to Schedule V, line 19, column 3)			\$ 187,348	TOTAL		\$		
(If total legal fees exceed \$2500 attach copy of invoices.)								

* Attach copy of IMRF notifications
SEE ACCOUNTANTS' COMPILATION REPORT

**See instructions.

Butterfield Health Care, Inc. d/b/a Meadowbrook Manor
 Provider # 00037366
 December 31, 2002

Schedule 21A

XIX. SUPPORT SCHEDULE

C. Professional Services

Vendor/Payee	Type	Amount
Freedman, Anselmo, Lindberg & Rappe	Collections	(2,570)
Wildman, Harrold Allen & Dixon	Legal	3,988
Schiff, Hardin & Waite	Legal	74,942
Duane Morris	Legal	1,172
Seyfarth Shaw	Legal	10,203
Altschuler, Melvoin & Glasser LLP	Accountants	22,673
American Express Tax & Business Services	Accountants	41,809
Qualified Pension Professional. Inc.	Accountants	1,865
Peterek & Howse LLP	Accountants	9,000
Transworld Systems, Inc.	Letter Writing Service	547
Personnel Planners, Inc.	Unemployment Consultant	2,475
New England Financial	Employee Benefit Plan Administrator	2,500
Worldwide Wencel	Website Services	210
Health Data Systems , Inc	Computer Services	11,782
Health Outcomes Management , Inc	Computer Services	5,698
Ivans	Computer Services	1,054
Total (agree to Schedule V, line 19, column 3)		187,348
Non-allowable legal expense		(3,836)
J&D Partners, L.P.		
American Express Tax & Business Service	Accountants	1,100
Duane Morris	Legal	8,984
Wildman, Harrold Allen & Dixon	Legal	1,813
Non-allowable Legal	Legal	(10,707)
Allocation from Management Company:		
Duane Morris	Legal	454
Wildman, Harrold Allen & Dixon	Legal	3,907
Schiff, Hardin & Waite	Legal	3,701
American Express Tax & Business Service	Accountants	380
Garber & Associates	Insurance Consultant	434
Paychex	Payroll Processing	1,115
One-2-One Computer Assistance	Computer Services	151
Non-allowable Legal		(1,884)
Total (agree to Schedule V, line 19, column 8)		<u>192,960</u>

See Accountants' Compilation Report

Butterfield Health Care, Inc. d/b/a Meadowbrook Manor
Provider # 00037366
December 31, 2002

Schedule 21B

Month	Description	Amount	Location	Employee	Seminar Title
January-02	Achieve Accreditation	\$1,547.25	Naperville	D. Sprinkle	JCAHO seminar
January-02	Cross Country University	\$149.00	Chicago	M. Nowlan	Communicating your Message
January-02	Cross Country University	\$149.00	Chicago	S. Dortch	Communicating your Message
February-02	Life Services Network of Illinois	\$100.00	Lisle	R. Terrill	IOC Provider Training
February-02	Glantz Richman Rehab Assoc	\$125.00	Chicago	C. Pape	Psychosocial Workshop
February-02	Life Services Network of Illinois	\$100.00	Lisle	S. Kanowitz	IOC Provider Training
February-02	Life Services Network of Illinois	\$100.00	Lisle	K. Casselman	IOC Provider Training
February-02	Glantz Richman Rehab Assoc	\$150.00	Chicago	D. Hartman	Psychosocial Workshop
February-02	Life Services Network of Illinois	\$100.00	Lisle	M. Ryan	IOC Provider Training
February-02	Life Services Network of Illinois	\$100.00	Lisle	C. Nelson	IOC Provider Training
April-02	Northern Illinois Affiliate-WOCN	\$45.00	LaGrange	K. Casselman	Wound Care
April-02	Northern Illinois Affiliate-WOCN	\$45.00	LaGrange	M. Simmert	Wound Care
May-02	Illinois Council on LTC	\$50.00	Lincolnwood	M. Nowlan	Working Successfully with Hospital Discharge Planners
September-02	Cross Country University	\$169.00	Chicago	K. Casselman	Restraint Reduction & Behavior management
October-02	Fred Pryor Seminars	\$159.00	Chicago	R. Ricana	How to Supervise People
October-02	Illinois Council on LTC	\$50.00	Lincolnwood	K. Casselman	Effectively Utilizing the Nursing Department Through the Admissions Process and Beyond
October-02	Illinois Council on LTC	\$50.00	Lincolnwood	R. Terrill	Effectively Utilizing the Nursing Department Through the Admissions Process and Beyond
October-02	Fred Pryor Seminars	\$109.00	Lisle	R. Terrill	How to Supervise People
October-02	Fred Pryor Seminars	\$159.00	Lisle	K. Casselman	How to Supervise People
October-02	Fred Pryor Seminars	\$159.00	Lisle	C. Vangel	How to Supervise People
October-02	Illinois Council on LTC	\$50.00	Lincolnwood	M. Nowlan	Effectively Utilizing the Nursing Department Through the Admissions Process and Beyond
October-02	Fred Pryor Seminars	\$159.00	Chicago	D. Sprinkle	How to Supervise People
November-02	Achieve Accreditation	\$515.75	Chicago	D. Sprinkle	JCAHO seminar
November-02	Alliance for Lifelong Learning	\$90.00	Naperville	S. Ibarra	Discovering the Keys to MDS Success

Total - allowable travel & seminar \$4,430.00

Allocation from Management Co. \$514.00

Total Travel & Seminar \$4,944.00

See Accountants' Compilation Report

XIX-H. SUPPORT SCHEDULE - DEFERRED MAINTENANCE COSTS (which have been included in Sch. V, line 6, col. 3).
(See instructions.)

1		2	3	4	5	6	7	8	9	10	11	12	13
	Improvement Type	Month & Year Improvement Was Made	Total Cost	Useful Life	Amount of Expense Amortized Per Year								
					FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007
1	Painting & Decorating	09/99	\$ 12,326	3 Yrs	\$ 822	\$ 4,109	\$ 4,109	\$ 3,286	\$	\$	\$	\$	\$
2	Painting & Decorating	07/00	8,737	3 Yrs		1,456	2,912	2,912	1,457				
3	Painting & Decorating	06/01	11,754	3 Yrs			1,959	3,918	3,918	1,959			
4	Wallcoverings	02/02	16,248	3 Yrs				2,708	5,416	5,416	2,708		
5													
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20	TOTALS		\$ 49,065		\$ 822	\$ 5,565	\$ 8,980	\$ 12,824	\$ 10,791	\$ 7,375	\$ 2,708	\$	\$

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Meadowbrook Manor

STATE OF ILLINOIS

0037366

Report Period Beginning:

01/01/02

Ending:

Page 23

12/31/02

XX. GENERAL INFORMATION:

- (1) Are nursing employees (RN,LPN,NA) represented by a union? No
- (2) Are there any dues to nursing home associations included on the cost report? Yes
If YES, give association name and amount. Illinois Council on Long Term Care \$10,899
- (3) Did the nursing home make political contributions or payments to a political action organization? Yes If YES, have these costs been properly adjusted out of the cost report? Yes
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? N/A
- (5) Have you properly capitalized all major repairs and equipment purchases? Yes
What was the average life used for new equipment added during this period? 7.5 Yrs
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 91,125 Line 10
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? Yes If NO, attach a complete explanation.
- (8) Are you presently operating under a sale and leaseback arrangement? No
If YES, give effective date of lease. N/A
- (9) Are you presently operating under a sublease agreement? YES X NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES NO X If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over. N/A
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department of Public Aid during this cost report period. \$ 163,155
This amount is to be recorded on line 42 of Schedule V.
- (12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? No If YES, attach an explanation of the allocation.

SEE ACCOUNTANTS' COMPILATION REPORT

- (13) Have costs for all supplies and services which are of the type that can be billed to the Department of Public Aid, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? Yes
- (14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? Yes For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions.
See Schedule 23A
- (15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. \$ None Has any meal income been offset against related costs? Yes Indicate the amount. \$ 1,706
- (16) Travel and Transportation
a. Are there costs included for out-of-state travel? No
If YES, attach a complete explanation.
b. Do you have a separate contract with the Department to provide medical transportation for residents? No If YES, please indicate the amount of income earned from such a program during this reporting period. \$ N/A
c. What percent of all travel expense relates to transportation of nurses and patients? 0%
d. Have vehicle usage logs been maintained? Yes
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? Yes
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? N/A
g. Does the facility transport residents to and from day training? No
Indicate the amount of income earned from providing such transportation during this reporting period. \$ N/A
- (17) Has an audit been performed by an independent certified public accounting firm? No
Firm Name: N/A The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? N/A If no, please explain. N/A
- (18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? Yes
- (19) If total legal fees are in excess of \$2500, have legal invoices and a summary of services performed been attached to this cost report? Yes
Attach invoices and a summary of services for all architect and appraisal fees.

Butterfield Health Care, Inc.
D/B/A Meadowbrook Manor
Provider #00037366
12/31/2002

Schedule 23A

Description	Amount	Line	Basis for Allocation
Day Care Wages	40,748	43	Actual
FICA Expense	2,876	22	Payroll
Federal U/C Tax	123	22	Payroll
State U/C Tax	222	22	Payroll
Food	775	2	[Total Food Costs/(3*Census)]*Daycare Censi
Gas	517	5	Sq Ftg
Electricity	<u>1,292</u>	5	Sq Ftg
Total	<u><u>46,553</u></u>		

See Accountants' Compilation Report

ius

Butterfield Health Care, Inc. d/b/a Meadowbrook Manor
Provider # 00037366
December 31, 2002

Page 3, Line 25, Column 3
Other Administrative Staff Transportation

Parking and Mileage Reimbursement	8,707
Repairs to Vehicles	<u>2,267</u>

Total Other Admin. Staff Transportation-Bolingbrook	10,974
-----------------------------------------------------	--------

Allocation from Management Co.

Parking and Mileage Reimbursement	1,907
-----------------------------------	-------

Total Other Admonistrative Staff Transportation	<u><u>12,881</u></u>
--------------------------------------------------------	-----------------------------

See Accountants' Compilation Report